



# DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



## Central Asian States Purchases/Catalog Changes

WARFIGHTER SUPPORT

STEWARDSHIP EXCELLENCE

WORKFORCE DEVELOPMENT



# Background

- Policy Letter 40 (Dated: 27 June 2012): Expand economic partnership with the CAS in support of the Command's security cooperation and engagement missions, and to enable access to and expansion of capacity on the NDN in support of OEF.
- Further guidance letter dated 17 Sep 2012: 1B The priority for sourcing OEF requirements has shifted from Afghanistan to the CAS.
- CAS include: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan



# Sourcing Considerations

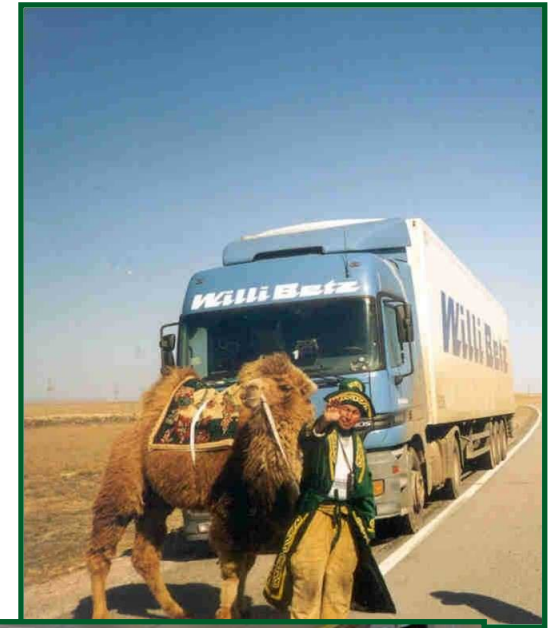
- Good manufacturing practices / facilities
  - Supreme performs quality assurance / pre-audit prior to requesting PHC inspection
  - Recommends corrective actions
- Capability, capacity & sustainment
  - Based on forecasted usage
- Food safety / inspections
  - Both PV and PHC
  - Inspection, audit and traceability
- Transportation
  - Current Commercial Process has high risk of Export Certificate challenges.
- Fair and Reasonable Price
- Customer Acceptance





# Successful Purchases

- Subsistence Items
  - Juice
  - Pasta
  - Water
  - Cookies
  - Soda
  - Bread







# Approved PHC Suppliers

## **UZBEKISTAN:**

**Nestle (Water) - "NESTLE UZBEKISTAN MChJ"**  
Ch.Safarova Street, Bld.12, Warehouse "OPS BAZA"  
Tashkent road, Termez, Uzbekistan  
Tel: +998 90 108 99 88

**Makiz (Pasta) - "MAKIZ BARAKA LLC"**  
Noraztepa Street, Bld 64, S. Rakhimov District  
Tashkent, Uzbekistan 100071  
Tel: +998 97 778 02 69



# Approved PHC Suppliers cont'd

## **InterSok (Juices) - "J.V. INTERSOK"**

Daryo Buyi Street, Southern industrial zone,  
Sergeli district, Tashkent, Uzbekistan100154

Tel: +998 90 168 79 33

## **KAZAKHSTAN:**

## **Bonaqua (Water) - "COCA-COLA ALMATY BOTTLERS LLP"**

Karasai district, Production co-operative the KOK - OZEK,  
Almaty, Kazakhstan

Tel: + 7 (701) 787 02 20



# Approved PHC Suppliers cont'd

## **Kazakhstan**

### **RG Brands**

Karasay district, Eltay  
Almaty, Kazakhstan 040912

## **Kyrgyzstan**

### **Coca Cola Bottlers**

69 Lushihina Street  
Bishkek, Kyrgyzstan 720027  
Cell: +996-555-773336

### **German Bakery**

Cholponatynskya 2,  
Bishkek, Kyrgyzstan 19506  
Cell: +996-778-443322

### **Tattuu**

Jibek-Jolu 288  
Bishkek, Kyrgyzstan 720011  
Cell: +996-552-000925



# CAS Supplier Update

- Public Health Command (PHC) approved: 10
  - KZ – 3, UZ – 4, KG – 3
  - Water, soda, milk, juices, pasta and bakery
- PHC inspection documents complete: 5 (KYR suppliers)
  - Inspections scheduled end of Oct / early Nov
  - Fresh eggs, FF&V, candy/ nuts, bakery, bottled water
- PHC inspection documents in-process: TWI- 5/ Supreme-2
  - Ice cream, juice, water, pasta, bakery, dairy, fresh eggs, condiments and candy
- Initial stage: TWI- 43/ Supreme- 3
  - Vendor interest...site visits conducted / scheduled...ongoing communication
- Suppliers contacted / not interested / not viable: TWI- 26/ Supreme- 3
  - Refuse inspection, small purchase volume, insufficient capacity, quality, price





# CAS Supplier Update cont'd

- Full time VET stationed at MANAS scheduled for 1 Dec 12
- Audit schedule: Isama FF&V 23 Oct 12; Shoro Btl Water 24 Oct 12; Ak-Kuu Eggs 26 Oct 12; Silk Roads warehouse 29 Oct 12; Saamal Bakery Goods 31 Oct 12
- Supreme carrying high level of bottled water stock due to troop drawdown



# Financials by Fiscal Year

## UZBEKISTAN:

Commodity	FY10 Total	FY11 Total	FY12 Total
PASTA PRODUCTS	\$1,230,899.60	\$806,085.00	\$8,754,480.00
JUICES & NECTARS	\$2,515,128.00	\$4,491,731.00 0	\$2,658,402.00
WATER	\$3,957,945.60	\$5,082,168.00 0	\$546,692.00
<b>TOTAL:</b>	<b>\$7,703,973.00</b>	<b>\$10,379,984.00</b>	<b>\$11,959,574.00</b>

## KAZAKHSTAN:

Commodity	FY10 Total	FY11 Total	FY12 Total
WATER	\$3,180,240.00	\$504,000.00	\$2,051,280.00
<b>TOTAL:</b>	<b>\$3,180,240.00</b>	<b>\$504,000.00</b>	<b>\$2,051,280.00</b>

## KYRGYZSTAN:

Commodity	FY10 Total	FY11 Total	FY12 Total
WATER	\$936,987.00	\$1,115,070.00 0	\$1,193,470.00 0
SODA	\$91,104.00	\$270,485.00	\$146,631.00
COOKIES	---	\$16,704.00	\$21,310.00
BREAD	---	---	\$43,930.00
<b>TOTAL:</b>	<b>\$1,028,091.00</b>	<b>\$1,402,259.00</b>	<b>\$1,405,340.00</b>



# Afghan First Program

DLA's Afghanistan 1<sup>st</sup> Program (SA1P) was launched in April 2010 and is an ongoing initiative that facilitates DLA's contribution to socio-economic development in Afghanistan.

<b>Commodity</b>	<b>FY10 Total</b>	<b>FY11 Total</b>	<b>FY12 Total</b>
Water	\$29,558,536.0 0*	\$86,577,408.0 0	\$101,978,161.0 0
Soda	\$5,416,339.00	\$9,051,168.00	\$9,764,256.00
Ice	---*	\$547,643.00	\$1,368,656.00
Energy Drink	---	\$567,000.00	\$2,828,700.00
<b>Total</b>	\$34,974,875.0 0*	96,743,219.00	\$115,939,773.0 0



# Challenges in Shipping Process

- Container Shortages at origin
- Vendor not packaging in accordance with PV specifications
- Significant delays at the border during winter period
- The lead time has increased from 5-6 to 9-10 weeks due to various border closures and delays in the Exemption Certificate Process



# Future Plans

- Leverage SPV Experience:
  - Supreme Logistics Senior Procurement Manager has significant experience/knowledge in managing procurement and has demonstrated focus on Business Development Projects in CS CASA and Afghanistan.
  - TWI has a dedicated team in Kyrgyzstan searching for sources.
  - Proposals incorporated SC-CASA Plans
- Both Supreme and TWI will continue to search for sources to procure from in accordance with CENTCOM policy letter 40
- Evaluate secondary benefits --- i.e. sources of raw materials, sources of packaging, etc....
- Customer Acceptance



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